



State of Wisconsin
Department of Public Instruction
Elizabeth Burmaster, State Superintendent

GUEST EDITORIAL

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Financial literacy a must for a strong Wisconsin

State Superintendent Elizabeth Burmaster

April is financial literacy month and across the United States, schools and communities offer programs highlighting and supporting financial literacy education, bringing to light the importance of financial education. We are proud that Wisconsin was the first in the nation to develop content and performance standards at the elementary, middle, and high school levels for what students should know and be able to do in preparation for their financial future.

Schools and communities throughout Wisconsin are working hard to provide a quality education to all children so they graduate prepared for the workforce and postsecondary education. That is our New Wisconsin Promise, and to achieve that goal and prepare our students for the 21st century, we must provide our students instruction in personal financial literacy.

Students today face financial choices that have expanded well beyond what their parents or grandparents dealt with as teens and young adults. An estimated 80 percent of Wisconsin students work during their high school careers, and nearly one-third have personal checking accounts and credit cards in their own names. Among adults, the last decade has brought with it a major increase in the use of nontraditional credit products that can have annualized interest rates of 300 percent to 1,000 percent. Additionally, personal bankruptcies have increased 105 percent over the past 15 years. With college savings plans, investment funds, retirement accounts, and the wide range of borrowing options now available, students need to learn how to make wise financial decisions now so they can avoid excessive debt. This important information will help them to see the benefits of having adequate savings to meet their dreams.

A unique component to Wisconsin's effort to increase financial literacy is the model academic standard for personal financial responsibility to self, family, and community. This standard recognizes

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the potential impact of personal financial decisions on other people around us. The global economy holds tremendous potential for generating income, profit, and personal wealth. The standard for community and financial responsibility recognizes that students need to understand their legal rights and ethical responsibilities as global citizens in relation to how they use their earnings or accumulate wealth.

The education of our youth is our state's highest responsibility. We have an obligation to ensure that all children have equal access to high quality educational programs that prepare them to be active citizens who understand their role in the family, society, and the world of work. Preparing young people to understand and actively participate in their own financial well-being is a vital personal skill. The economic stability of our communities and the resulting growth of our state's economy will be influenced by the personal financial literacy skills our students gain in school.

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Elizabeth Burmaster is the elected state superintendent of public instruction.

NOTES: A high-resolution photo of the state superintendent is available on the Department of Public Instruction "Media Contacts and Resources" webpage at <http://dpi.wi.gov/eis/vm-media.html>. This news release is available electronically at http://www.dpi.wi.gov/eis/pdf/dpi2008_73.pdf.